

REMARKS

Claims 1-23 are currently pending in this application. Claims 2 and 14 have been cancelled and claims 24 and 25 have been added. Applicants thank the Examiner for the further attention given to this application.

CLAIM OBJECTIONS

Claims 6 and 18 are objected to as there is insufficient antecedent basis for the limitation "said owner". Applicants have amended claims 6 and 18 to overcome the lack of antecedent basis.

§102 REJECTIONS

Claims 1-6, 11-18 and 23 are rejected as allegedly being anticipated by Bonneau, Jr. et al. (U.S. Patent No. 6,394,346). Applicant respectfully traverses this rejection. It is submitted that amended independent claims 1 and 12, along with the claims which depend therefrom, are fully distinguished from this reference.

For a reference to anticipate a claimed invention, it is well established that each and every element must be present in the reference. Referring to amended independent claims 1 and 12, Bonneau, Jr. et al. fails to teach or suggest a ticket transport machine for recirculating cards. The machine accepts a card from a user and determines the status of the card, i.e. if the card is reusable, is damaged or is a one time use card. Based upon this information (i.e. the status of the card), the machine of the present invention determines where the card should be stored in a storage area which is comprised of two bins and two stackers. In the present invention, once the user inserts a previously used card into an input bezel, the input bezel accepts the card and places the card on a rotating transport carrier. Once on the rotating transport carrier, the is directed under a reader/writer antenna for determining the status of the card, i.e. if the card is reusable, is damaged or is a one time use card. Based

upon the status of the used card, the used card is transported to one of the two bins in the storage area.

In the preferred embodiment, used cards, which are only to be in circulation for a short time and can later be re-circulated, will be placed in the first bin and used cards which are malfunctioning and cannot be re-circulated are placed in the second bin. Also located in the storage area of the transport machine are two stackers, a first stacker and a second stacker. In the preferred embodiment, the first stacker contains cards that are continually re-circulated and the second stacker contains cards that will be continually used by the user and won't be returned to the machine for re-circulation. When a user requests a card from the transport machine, a top card is separated from a card stack and moved through a guide channel into said transport and rotator which is then placed in a ticket chute for retrieval by the user.

On the other hand, Bonneau et al. is directed toward a method of testing a plurality of unused (i.e. cards that have never been distributed to a user) smart cards for defects and not re-circulating cards which are input into an input bezel by a user. (See column 10) In Bonneau et al., multiple unused cards are loaded in a high speed card feeder and are then serially fed into entry rollers where the cards are tested to determine any defects. (See column 5, lines 19+) If a card is found defective, it is transported into magazine 122, the remaining cards which are not defective are transported into one of three other magazines 116, 188 and 120. The remaining cards are either placed in a particular magazine based upon the type of card or stacking in the magazines is continuous in the magazines and automatically changes to the next magazine when one magazine is full. (See column 9, lines 40+) Bonneau et al. is only directed toward testing a plurality of unused smart cards and fails to teach or suggest a transport machine that contains an input bezel for receiving a used card from a user and places the used card into one of two bins depending upon whether the used card can be re-circulated, i.e. used again. Furthermore, Bonneau et al. fails to teach or suggest separating a top card from a card stack and moving the card through a guide channel into said transport and rotator which is then placed in a ticket chute for retrieval by the user as in amended

independent claims 1 and 12, thus Bonneau et al. is not available under a §102 anticipation rejection.

Therefore, Applicants' invention, as claimed in amended independent claims 1 and 12, is different than the cited prior art in that in the present invention a ticket transport machine for recirculating cards accepts a card from a user and the machine determines if the card is reusable, is damaged or is a one time use card. Based upon this information, the transport of the present invention determines which of two bins the card should be placed in.

§103 REJECTION

Claims 7-10 and 19-22 are rejected as being unpatentable over the Bonneau patent in view of Kawaji et al. (U.S. Patent No. 5,854,447). Applicants respectfully traverse this rejection.

As indicated above, the cited prior art fails to teach or disclose a dual magazine recirculating transport machine that accepts a card from a user and determines the status of the card, i.e. if the card is reusable, is damaged or is a one time use card as is in the amended independent claims 1 and 12. Based upon this information, the machine of the present invention determines where the card should be stored in a storage area which is comprised of two bins and two stackers. Furthermore, the cited prior art also fails to teach or suggest separating a top card from a card stack and moving the card through a guide channel into said transport and rotator which is then placed in a ticket chute for retrieval by the user. Kawaji et al. fails to overcome these deficiencies. As such, it is believed that claims 7-10 and 19-25, which depend from independent claims 1 and 12 are allowable. Therefore, the §103(a) rejection should be withdrawn as to claims 7-10 and 19-23.

In view of the above, Applicants respectfully request reconsideration of the application and allowance of independent claims 1 and 12 and subsequently claims 3-11, 13 and 15-25 which depend therefrom. If the Examiner believes that a telephone conference with Applicants' representative might expedite prosecution of the application, he is cordially invited

to call at the number listed below.

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